

COMMISSION DIRECTIVE

ADMINISTRATIVE MATTERS	<input type="checkbox"/>	DATE	<u>May 28, 2008</u>
MOTOR CARRIER MATTERS	<input type="checkbox"/>	DOCKET NO.	<u>2005-385-E</u>
UTILITIES MATTERS	<input checked="" type="checkbox"/>		

SUBJECT:

DOCKET NO. 2005-385-E – Petition of the Office of Regulatory Staff to Establish Dockets to Consider Implementing the Requirements of Section 1251 (Net Metering and Additional Standards) of the Energy Policy Act of 2005 – Discuss with the Commission the Consideration of Proposed Tariffs along with Pending Motions.

COMMISSION ACTION:

I believe that the Commission has done all it can at this point to implement net metering. We have held three meetings and hearings in this matter.

1. We held the first hearing on May 15, 2007, in which we decided to implement net metering standards and directed the companies to file tariffs implementing those standards, and to devise an alternative tariff which would give net metering customers the option of purchasing their power on a so called “flat rate” plan.
2. We held a meeting on February 14, 2008, because we had concerns that the proposed tariffs were not easily understandable to the public, and as a result of that meeting, the companies agreed to devise summaries of their net metering rates which would be easier to understand for prospective net metering customers.
3. We held a second hearing on May 15, 2008, at the request of certain intervenors who wished to be heard on the proposed tariffs.

I have been gratified by the considerable public input that we have had on net metering; it tells me that the public is starting to become aware of the challenges that are posed to this state by simultaneous rapid population growth and increasing energy costs. I want to recognize the contributions of the pro se intervenors in this docket; who obviously worked hard to learn the Commission’s procedures and follow rules that are much more familiar to the rest of us. I appreciate their effort, and commitment, and I believe that they have made a valuable contribution to this process.

I believe that we have been able to address some of the concerns that were brought to our attention by advocates of net metering. Specifically, I think we can make clear explanations of the net metering tariffs available to the public, whether through documents, web sites, or customer service personnel. I also believe that the Commission has been able to address the concerns of those customers who did not want to be forced to purchase their electricity on a time of use plan and demand component if they wanted to participate in net metering. I recognize that we may not have satisfied those persons who requested higher compensation for energy sold back to the power companies. However, I would observe that there was no consensus on who should pay for such a subsidy.

While I recognize that we cannot devise a net metering plan that will satisfy everyone, I believe that it is time to implement net metering. Therefore, I move that the Commission:

1. Direct the utilities to make net metering plans available to their customers no later than July 1, 2008, according to the tariffs submitted to us;
2. Direct the utilities to have trained and knowledgeable customer service personnel available to assist customers by July 1, 2008;
3. Direct the utilities to make explanations of their net metering programs available on their websites.
4. Approve SCE&G’s request that the net metering tariffs be designated as experimental pursuant to S.C. Code Ann. § 58-27-870(f); in that regard, I further move that we grant Intervenor Greenlaw’s Motion to Keep Docket Open but deny her Motion to Reclassify Net Metering Tariff Structure Design, Tariffs, and Fees as Temporary Instead of Experimental since any proposed new net metering tariffs will be filed in this docket and served on the parties.
5. Further, I move we hold a hearing to review the net metering program 12 months from the date of this order, so that we can consider whether changes are warranted.
6. That we deny Ms. Thomas’ motion that we expand these proceedings to deal with the issue of fuel diversity, because the Commission has already heard testimony on this issue. Section 111(d) of the Public Utility Regulatory Policies Act of 1978 requires that each State Commission consider the standards set out there and make a determination concerning whether or not it is appropriate to implement such standards. The Energy Policy Act of 2005 added fuel diversity considerations to the list of standards to be considered by state commissions. On May 15, 2007, in a hearing in which Ms. Thomas participated, the Commission heard testimony on Energy Policy Act Section 1251(a)(12), as to whether a standard was necessary to address

fuel sources to minimize dependence on one fuel source and to ensure that electric energy is generated using a diverse range of fuels and technologies, including renewable technologies. However, the resulting order of August 30, 2007 (Order No. 2007-618), did not adequately address the issue of fuel diversity. Therefore I move that, based on the testimony heard at that hearing, we clarify that this Commission believes that no such standard is necessary. The State and this Commission have adopted policies and rules that promote the goal of having a diverse mix of fuel and generation technology. The state's utilities have for some period of time been operating with a goal of a diverse generation mix and have not relied upon any one dominant generation fuel source.

PRESIDING	<u>Hamilton</u>				Session:	Regular
	MOTION	YES	NO	OTHER	Time of Session	<u>2:30 PM</u>
CLYBURN	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		APPROVED	_____
FLEMING	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		APPROVED STC 30 DAYS	_____
HAMILTON	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		ACCEPTED FOR FILING	_____
HOWARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		DENIED	_____
MITCHELL	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		AMENDED	_____
MOSELEY	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		TRANSFERRED	_____
WRIGHT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		SUSPENDED	_____
					CANCELED	_____
					SET FOR HEARING	_____
					ADVISED	_____
					CARRIED OVER	_____
					RECORDED BY	<u>Schmieding</u>